

Administration of Barack H. Obama, 2010

Statement on House of Representatives Passage of Pay-As-You-Go Legislation
February 4, 2010

I am pleased that the House of Representatives has passed Statutory Pay-As-You-Go (PAYGO) into law. Statutory PAYGO would hold us to a simple but bedrock principle: Congress can only spend a dollar if it saves a dollar elsewhere. Mandatory spending increases and tax cuts must be paid for; they're not free, and borrowing to finance them is not a sustainable long-term policy.

It is no coincidence that when we last had statutory PAYGO, during the 1990s, we turned deficits into surpluses. The passage of statutory PAYGO today will help usher out an era of irresponsibility and begin putting the country back on a fiscally sustainable path.

Categories: Statements by the President : Pay-As-You-Go legislation, House of Representatives passage.

Subjects: Budget, Federal : Congressional spending restraint; Legislation, proposed : "Statutory Pay-As-You-Go Act of 2009".

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